

**MONTANA SENATE**  
**56th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON FINANCE AND CLAIMS**

**Call to Order:** By **CHAIRMAN CHUCK SWYSGOOD**, on February 1, 1999  
at 12:30 A.M., in Room 108 Capitol.

**ROLL CALL**

**Members Present:**

Sen. Chuck Swysgood, Chairman (R)  
Sen. Tom Keating, Vice Chairman (R)  
Sen. William Crismore (R)  
Sen. Greg Jergeson (D)  
Sen. Bob Keenan (R)  
Sen. J.D. Lynch (D)  
Sen. Ken Mesaros (R)  
Sen. Ken Miller (R)  
Sen. Arnie Mohl (R)  
Sen. Linda Nelson (D)  
Sen. Debbie Shea (D)  
Sen. Mike Taylor (R)  
Sen. Daryl Toews (R)  
Sen. Mignon Waterman (D)

**Members Excused:** Sen. Tom A. Beck (R)  
Sen. Eve Franklin (D)  
Sen. Dale Mahlum (R)  
Sen. Chris Christiaens (D)

**Members Absent:** None.

**Staff Present:** Shannon Gleason, Committee Secretary  
Clayton Schenck, Legislative Branch

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: SB 164 1/26/1999  
Executive Action: None

**Sponsor:** **SEN. KEN MESAROS, SD 25, CASCADE**

**Proponents:** **Ralph Peck,** MT. Department of Agriculture  
**John Blomquist,** MT. Stockgrowers Association  
MT. Grain Growers Association  
MT. Farm Bureau  
MT. Farmers Union

**Dave Burch,** Jefferson County Weed District  
MT. Weed Control Association  
**Arla Murry,** MT. Cattle Women Association  
MT. Dairy Association  
MT. Wool Growers  
**Candace Payne,** Women Involved in Farm  
Economics  
**Dave Schulz,** Madison County Weed District  
MT. Weed Control Association  
**Bob Gilbert,** MT. Weed Control Association  
**Jim Freeman,** Cascade County Weed District  
**Jim Currie,** MT. Department of Transportation  
**Richard Fairweather,** Meagher County Weed  
District

**Opponents:** **Mike Foster,** MT. Contractors Association

**Opening Statement by Sponsor:**

**SEN. MESAROS** stated this bill was formed as a result of several people and groups coming together over the Legislative interim to create the best plan for an aggressive noxious weed control plan.

**SEN. MESAROS** acknowledged this is an aggressive plan and funding is an issue. **SEN. MESAROS** explained as the bill is written the Noxious Weed Trust Fund would be increased with a 1/2 cent of the Gas Tax but pointed out that would jeopardize Federal matching dollars and therefore offered **amendment SB016401.ads**

**EXHIBIT(fcs25a01).** **SEN. MESAROS** read the amendments and letter included in exhibit 1. **SEN. MESAROS** stated this bill had been heard in Taxation and entered a copy of the minutes

**EXHIBIT(fcs25a02),** and a Fund Balance Report **EXHIBIT(fcs25a03)** that were presented in the other committee. **SEN. MESAROS** commented that the Fiscal note showed an economic impact to the state of \$100,000,000.00 annually, and does not include the adverse effects on wildlife habitat. A copy of a university study **EXHIBIT(fcs25a04)** was entered. **SEN. MESAROS** advised the committee the annual cost to fight Leafy Spurge four years ago was \$18,000,000.00 and \$42,000,000.00 for Knapweed, he explained counties receive approximately \$5,000.00 from the trust fund in addition to their grant program annually and the cost to spray, \$1.00 to \$30.00 per acre.

**Proponents' Testimony:**

**Ralph Peck,** MT. Department of Agriculture, advised the Committee weeds are a premier issue and his department is working diligently with **SEN. MESAROS** and the Weed Control Association to develop weed control legislation. **Mr. Peck** noted he understood

revenue is an ongoing concern, and wanted to note a concern that the funding resources are property defined in relation to the projected budget needs and Executive Budget proposals being heard. **Mr. Peck** stated he realized this was an ongoing process that will continually have to be addressed.

**John Blomquist**, MT. Stockgrowers Association, stated his organization and various other associations feel noxious weeds are the most significant environmental issue remaining for the state to deal with. **Mr. Blomquist** advised this issue effects productivity, impacts water quality, and wildlife habitation. **Mr. Blomquist** urged the committee to support this bill and increase the weed trust fund so there is more money to combat this problem.

**Dave Burch**, Jefferson County Weed District, read **EXHIBIT (fcs25a05)**.

**Arla Murry**, MT. Cattlewomens Association, rose in support of this bill.

**Candis Payne**, Women Involved in Farm Economics, rose in support of the bill and noted one of the top priorities for her organization was noxious weeds.

**Dave Schulz**, Madison County Weed Supervisor, explained to the committee Noxious Weeds are a problem for everyone. Weeds are causing serious environmental and agriculture problems. **Mr. Schulz** noted the cap on the fund has been there for several years and with dollars values less and less the new cap would allow greater county participation in the control of weeds. **Mr. Schulz** noted almost 1/2 of the counties do not have a program, and this would help the consistency and conformance to state regulations.

**Bob Gilbert**, MT. Weed Control Association, advised he supported this bill and was in the capital everyday, he welcomed anyone to discuss this measure with him.

**Jim Freeman**, Cascade County Weed Supervisor, advised the primary funding for weed control was property tax. **Mr. Freeman** noted there were several bills to reduce property tax in this session and if property taxes were reduced the Weed Control Budget would also be reduced, he noted this would help offset that reduction. **Mr. Freeman** advised the committee MT. spends \$100,000,000.00, however the United States spends \$35,500,000,000.00 annually in weed control. **Mr. Freeman** thought it best to be as pro active as one can to weed control.

**Jim Currie**, Department of Transportation, noted support for this bill, however the department has a concern with the funding coming from the Highway State Special Revenue Fund.

**Mr. Currie** explained there is \$842,000 budgeted for weed control and that money is allocated to the counties for control on right-of-ways. **Mr. Currie** advised the department has been concerned with the long term viability of the cash balance in the Highway State Special Revenue Fund for a number of years. **Mr. Currie** added they were working very hard in light of CI-75 to provide a package to the Legislature that will provide long term viability of the capital working balance of the fund. **Mr. Currie** felt they had a workable package and bills like this that took monies from the fund would be a problem.

**Richard Fairweather** read witness statement **EXHIBIT(fcs25a06)**.  
{Tape : 1; Side : A; Approx. Time Counter : 12:48}

#### Opponents' Testimony:

**Mike Foster**, Mt. Contractors Association, advised the committee he supported and aggressive weed plan but rose in opposition to this bill because of the funding source as outlined in the original bill. **Mr. Foster** noted if the trust fund is used the state will lose matching Federal Funds, and thus people will lose jobs. **Mr. Foster** entered **EXHIBIT(fcs25a07)** and **EXHIBIT(fcs25a08)** and added Montana will lose over \$20,000,000.00 counting the matching funds. **Mr. Foster** added if the amendment fixed the funding concerns the Mt. Contractors Association would support this bill, if not, they would still oppose it.

#### Questions from Committee Members and Responses:

**Chairman Swysgood** noted the amendment has not been adopted, just presented. **Chairman Swysgood** stated the amendment was still transferring \$2,250,000.00 from the Highway account, however it is the non restricted account and that was the account that does not require the 3/4 vote to transfer and use funds, but it is still from Highway Funds.

**SEN. KEATING** asked what the use of the Unrestricted Highway Fund was, **Mr. Currie** advised there is not a distinction between the Highway Restricted and Nonrestricted Funds. **Mr. Currie** stated the funds were combined and what would happen is the balance of the State Special Revenue Fund would be reduced and that takes money off the road. **Mr. Currie** added it will take away from matching funds and construction would be reduced.

**SEN. KEATING** wanted to know if in both cases the State would lose the Federal Match, **Mr. Currie** advised there was a potential for that but there were a few options, money could be taken from the State Match Program or from the State funded Construction Program that financed jobs not eligible for Federal Funding, he added if the funding for weeds were to come from the Highway Department it would come from one of these programs.

**SEN. KEATING** stated he was confused and asked for clarification on which monies were involved the Federal Matching Funds. **Mr. Currie** advised all the money is commingled and it is possible to lose some Federal Funds. **SEN. KEATING** then wondered if the monies were pulled from the Highway Department would there be enough money left to match Federal Funds available, **Mr. Currie** thought in the near term that was true, however he noted in approximately 2006 there could be a problem. **SEN. KEATING** commented by then all the weeds would be dead.

**SEN. LYNCH** thought there was enough monies in the restricted fund to match through the next biennium. **SEN. LYNCH** wanted clarification from **Mr. Foster**, if the MT. Contractors Association supported taking money from the Nonrestricted Fund verses the Restricted Fund. **Mr. Foster** explained he thought the amendment would have the result of no impact on the construction fund, however he now believes that is not the case and therefore will oppose the amendment as well.

**SEN. JERGESON** pointed out in the Fiscal Note these dollars were not included in the Executive Budget and wondered how the Department of Agriculture could take a stance on this item. **Mr. Peck** advised the stance was being taken to the funding, not the bill. **SEN. JERGESON** wondered if there was enough money in the Department of Agriculture's Budget to take a \$2,130,000.00 hit, **MR. Peck** responded there was not, currently his department receives \$580,000 from the General Fund.

**Closing by Sponsor:**

**SEN. MESAROS** advised the committee it was his understanding the state funded construction program must keep a balance of \$9,700,000.00. **SEN. MESAROS** indicated he had information that there is currently enough in the fund, and there is enough forecasted through 2006. **SEN. MESAROS** indicated this is an aggressive plan and the challenge was to leave with a balanced budget, the rational to use Highway funds was because vehicles and railroad cars transferred the weeds. **SEN. MESAROS** stated it was not his intent to jeopardize the Federal Match program or the State Construction Fund and he believed the balances were

adequate and that would not be the case. **SEN. MESAROS** stated the impact for weeds was over \$100,000,000.00 annually and needed to be addressed.

**CHAIRMAN SWYSGOOD** closed the hearing and requested someone from the Highway Department be present when Executive Action was taken on this bill. **CHAIRMAN SWYSGOOD** welcomed anyone with ideas for funding of this bill to discuss it with him or anyone on the committee, he noted the committee thought this was a worthwhile project but had concerns as the potential impact on the budget was significant.

**CHAIRMAN SWYSGOOD** asked the committee if they wanted to take Executive Action on **SB 247**, it was decided they would wait for a fiscal note.

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**ADJOURNMENT**

Adjournment: 1:30 A.M.

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SEN. CHUCK SWYSGOOD, Chairman

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SHANNON GLEASON, Secretary

CS/SG

**EXHIBIT** (fcs25aad)